

**HALLS HOLDINGS LIMITED**

Company Number: 2536213

**ABBREVIATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 APRIL 2005**



HALLS HOLDINGS LIMITED

ABBREVIATED BALANCE SHEET

AT 30 APRIL 2005

	Note	2005		2004	
		£	£	£	£
FIXED ASSETS					
Intangible assets	3		24,872		29,017
Tangible assets	4		20,005		20,005
Investments - group undertakings	5		2,979		2,979
Investments - other	6		40,290		40,290
			<u>88,146</u>		<u>92,291</u>
CURRENT ASSETS					
Stocks		64,257		76,670	
Debtors		658,028		797,803	
Cash at bank		<u>84,936</u>		<u>787</u>	
		807,221		875,260	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR					
		<u>591,727</u>		<u>781,113</u>	
NET CURRENT ASSETS					
			215,494		94,147
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>303,640</u>		<u>186,438</u>
CAPITAL AND RESERVES					
Called up share capital	7		98,000		98,000
Capital redemption reserve			74,966		74,966
Share premium account			12,000		12,000
Profit and loss account			<u>118,674</u>		<u>1,472</u>
SHAREHOLDERS' FUNDS - equity interests			<u>303,640</u>		<u>186,438</u>

AUDIT EXEMPTION STATEMENT

For the year ended 30 April 2005 the company was entitled to exemption from the requirement to have an audit under the provisions of sections 249A(1) of the Companies Act 1985. No notice has been deposited with the company under section 249B(2) of that Act requiring an audit to be carried out. The directors acknowledge their responsibility for:

- (a) ensuring the company keeps accounting records in accordance with section 221 of the Companies Act 1985; and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of its financial year and of its profit for that financial year in accordance with the requirements of section 226 of the Companies Act 1985 and which otherwise comply with the accounting requirements of that Act relating to accounts, so far as they are applicable to the company.

These accounts have been prepared in accordance with the special provision of Part VII of the Companies Act 1985 relating to small companies.

Approved by the board on 21 December 2005 and signed on its behalf by

 - Director

HALLS HOLDINGS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2005

1. ACCOUNTING POLICIES

(a) Accounting convention

The financial statements are prepared under the historical cost convention.

(b) Exemption from consolidation

The company has taken advantage of the exemption conferred by section 248 of the Companies Act 1985 and has not prepared group accounts. In the directors' opinion the group qualifies as a small sized group.

(c) Going concern

These financial statements have been prepared on a going concern basis.

(d) Turnover

Turnover represents amounts invoiced, excluding value added tax, in respect of the sale of services to customers.

(e) Depreciation

No depreciation is charged on freehold land. Each leasehold was purchased for one pound and has therefore not been depreciated.

(f) Stocks and work in progress

Long-term contract balances are stated at net cost. The amount recorded as turnover in respect of long-term contracts is ascertained by reference to the value of work carried out to date. Attributable profit is recognised as the difference between recorded turnover and related costs.

(g) Deferred taxation

Deferred tax is provided in respect of the tax effect of all timing differences that have originated but not reversed at the balance sheet date.

(h) Goodwill

Goodwill represents the excess of cost of acquisition over the fair value of the separable net assets of business acquired. Goodwill is amortised through the profit and loss account in equal instalments over its estimated useful life.

(i) Investments

Investments held as fixed assets are stated at cost or at the value to which they have been written down to reflect a permanent diminution in value.

HALLS HOLDINGS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 30 APRIL 2005

1. ACCOUNTING POLICIES continued

(j) Operating leases

Rentals payable under operating leases are charged on a straight line basis over the term of the lease.

(k) Pension costs

Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

2. DIRECTORS

Transactions

The company holds a full repairing and insuring lease on normal commercial terms of freehold property which was occupied by a subsidiary for the conduct of business delegated to it by its parent. Mrs Sadler, wife of Mr R E Sadler, a director of this company and the subsidiary granted the lease at a rental of £10,516 per annum.

During the year the company's subsidiary Halls Auctioneers Limited, sold auctioneering services to the value of £Nil to the consortium known as Halls Market Company (HMC) on commercial terms freely entered into as at arms length.

The consortium, whose members included Messrs Willcock, Gittins and the company, holds an interest in Oswestry Cattle Auctions (OCA) which entitles it to a 26.75% share in the profits and losses of OCA.

The shares of profit of Messrs Willcock, Gittins and the company in HMC at 30 April 2005 were:-

M P Willcock	8.3%
A T Gittins	21.0%
Halls Holdings Limited	13.5%

Included in creditors are directors' loans of £542,103 (2004 : £704,405)

# HALLS HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 30 APRIL 2005

### 3. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 May 2004 and 30 April 2005	<u>41,452</u>
AMORTISATION	
At 1 May 2004	12,435
Charge for the year	<u>4,145</u>
At 30 April 2005	<u>16,580</u>
NET BOOK VALUE	
At 30 April 2005	<u>24,872</u>
At 30 April 2004	<u>29,017</u>

Goodwill of £41,452 which is being amortised over 10 years, arose on the acquisition of the unincorporated association know as Shrewsbury Livestock Auctioneers. There is no negative goodwill.

### 4. TANGIBLE FIXED ASSETS

	TOTAL £
COST AND NET BOOK VALUE	
At 1 May 2004 and 30 april 2005	<u>20,005</u>

# HALLS HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS – CONTINUED

FOR THE YEAR ENDED 30 APRIL 2005

### 5. FIXED ASSET INVESTMENTS - GROUP UNDERTAKINGS

	2005 £	2004 £
Shares in subsidiary undertakings	<u>2,979</u>	<u>2,979</u>

The above investments are unlisted.

The company's investments in its subsidiaries, all of which are incorporated in England and Wales, were held in fully paid ordinary shares as follows:-

Name	Percentage of shares held %
Halls Auctioneers Limited	94.5
Halls Worcestershire Limited	100
Hall Wateridge & Owen Limited	100

The company has prosecuted its businesses of agricultural and fine art auctioneers and estate agents by delegating the conduct and running of them to its subsidiary Halls Auctioneers Limited (Auctioneers) but retaining to itself the goodwill of the businesses, ownership of all freehold and leasehold interests in property and licences and rights to conduct cattle and other auctions. To this end the company, through its Board of Directors, authorised its subsidiary 'Auctioneers' to operate the businesses and occupy the properties without imposing any additional cost or charge other than the requirement that the subsidiary should stand in the shoes of the company with regard to meeting all the costs and expenses arising from such operation and occupation. Hall Wateridge and Owen Limited and Halls Worcestershire Limited were dormant throughout the period. The company advised the board of Halls Auctioneers Limited that it was the policy of the company as its ultimate holding company to provide financial support to enable its trading and that of the group to continue unhampered by financial restraints

# HALLS HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 30 APRIL 2005

### 6. FIXED ASSET INVESTMENTS - OTHER

	2005 £	2004 £
Participating interest in:-		
Halls Market Company (see below)	<u>40,290</u>	<u>40,290</u>

The cost of the company's investment in a participating interest in the consortium known as Halls Market company (HMC) entitling the company to a 13.5% interest in its profits and losses was £40,290. HMC holds a participating interest in the unincorporated firm known as Oswestry Cattle Auctions (OCA) which entitles HMC to a 26.75% share in the profits and losses of OCA. The principle business address of HMC is Welsh Bridge, Shrewsbury, SY3 8LA. The participation of the company's directors Mr Willcock 8.3% and Mr Gittings 21.0% are disclosed in note 2.

### 7. CALLED UP SHARE CAPITAL

	Authorised		Allotted, issued and fully paid	
	2005 £	2004 £	2005 £	2004 £
Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>	<u>98,000</u>	<u>98,000</u>

### 8. PARENT UNDERTAKINGS

Halls Participations Limited, a company registered in England and Wales, became the ultimate parent company consequent upon its acquisition of the company as a result of a share for share exchange. The interests of the shareholders of Halls Participations Limited are the same as those they held in the company until 30<sup>th</sup> April 2005.